

The Municipal Health Care Reform Act of 2011 was signed into law by Gov. Patrick in July 2011.

According to the very latest information just released by the governor's office on January 22, 2014, more than 260 communities and school districts across the state have so far collectively saved more than \$237 million in health insurance premiums as a result of the landmark law. The governor notes that this reform has the potential to produce as much as \$2.8 billion in cumulative savings over 10 years if adopted by all cities, towns, and school districts in Massachusetts.

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THE VERY LATEST FIGURES ON SAVINGS ACHIEVED BY MUNICIPAL HEALTH CARE REFORM

Gov. Patrick's budget released on January 22, 2014 has the most up-to-date savings information:

"Signed into law by Governor Patrick in July 2011, municipal health care reform is one of the most beneficial tools afforded to cities and towns in decades, and has achieved substantial savings for communities across Massachusetts that have helped preserve essential local government jobs and services. By including labor unions, municipal health care reform has had a powerful and immediate impact on municipal finances while maintaining quality, affordable health care for working families. Over 260 communities and school districts across the Commonwealth have collectively saved more than \$237 M to date in health insurance premiums as a result of the landmark municipal health care reform law. This reform has the potential to produce as much as \$2.8 B in cumulative savings over 10 years if implemented by all cities, towns, and school districts in Massachusetts. Forty-nine cities, towns, and school districts with over 45,000 subscribers now get health insurance through the Group Insurance Commission (GIC), the state employee health insurance program."

A DETAILED REPORT BY THE PATRICK ADMINISTRATION ON THE SAVINGS FROM THE FIRST YEAR OF MUNICIPAL HEALTH CARE REFORM - 2012



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A DETAILED REPORT BY THE MASS TAXPAYERS' FOUNDATION ON THE SAVINGS FROM MUNICIPAL HEALTH CARE REFORM - 2/8/12



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_Muni health release

HEARING SCHEDULED FOR GOV'S MUNI HEALTH REFORM 3/1/11...STATEHOUSE NEWS SERVICE COVERAGE

The governor's bill to reform municipal health care by requiring retirees to join Medicare and force cities and towns into the state's Group Insurance Commission if they can't negotiate with unions for comparable savings will get a public hearing the next Tuesday. The Joint Committee on Public Service has scheduled a hearing on H 36 for Tuesday at 10 a.m. in the Gardner Auditorium, making the municipal health care bill the first major piece of legislation filed by the governor to get a public hearing this session. The committee, co-chaired by Rep. John Scibak of South Hadley and Sen. Katherine Clark of Melrose, is preparing to take testimony from several mayors across the state, including Boston Mayor Thomas Menino, who plans to attend. It was not immediately clear who would testify on behalf of the Patrick administration, but Gov. Deval Patrick will not be around after leaving Monday for a 10-day trade mission to Israel and Great Britain. Proponents of municipal health care law changes have called for action on legislation early in the 2011-2012 session, with the goal of helping cities and towns trim costs in the fiscal year that begins July 1.

PREVIEW OF HOUSE BUDGET DEBATE ON MUNI HEALTH REFORM 4/18/11..STATE HOUSE NEWS SERVICE COVERAGE

The House will hold daily sessions next week to debate the intricacies of a \$30.45 billion budget proposed by the Ways and Means Committee, a bill that contains no taxes, fees or elimination of tax breaks, and includes a slew of deep program cuts, a structural overhaul to the state's public counsel services and a white-hot provision to curtail the collective bargaining power of municipal unions ... Unrestricted local aid would come in at \$834 million, a \$65 million decrease also proposed by the governor. To offset the local aid reduction, the House Ways and Means Committee endorsed a proposal that would curtail the ability of municipal workers to bargain their health care co-pays and deductibles, and would permit cities and towns to unilaterally enter the state Group Insurance Commission, a money saver that backers said would prevent rising health care costs from consuming municipalities' investments in education and public safety. But unions struck back, drawing support from 50 Democrats for a proposal that would preserve a limited form of collective bargaining and introduce arbitration if workers and municipal managers fail to agree. Unions are planning a full week of lobbying on behalf of their plan, and they've already threatened political consequences for lawmakers who vote against them..

HOUSE STRIPS SOME COLLECTIVE BARGAINING RIGHTS 4/26/11..BEACON HILL ROLL CALL COVERAGE

House 113-42, approved a controversial amendment that would strip municipal employees of most of their rights to collectively bargain over health care benefits including co-payments and deductibles. The proposal, backed by House Speaker Robert DeLeo, is strongly opposed by unions across the state.

The measure does not mandate the changes but rather gives every community in the state the option to draft a new health care plan for its employees and present it to union members. The unions then have 30 days to negotiate a better deal. If the negotiation fails, the city or town has the power to unilaterally impose the original plan. In that case, local communities would have to give the unions 20 percent of the plan's cost savings for one year as compensation. Another provision requires all eligible retirees to enroll in a Medicare health plan. Under the proposal, unions would still have the power to negotiate the share of the health care premiums paid by members. Communities would not have the unilateral power to establish that percentage. Amendment supporters noted this long overdue local option will save \$100 million for struggling communities and allow them to continue to provide important education, public safety and other

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services to residents. They noted municipal workers will still have better health plans and fewer out-of-pocket expenses than most private sector workers.

Opponents said the plan is anti-union and would hurt working families across the state. They noted they were shocked that the usually pro-union Democratic-dominated House is leading the charge to kill collective bargaining. They said that many of the Democrats who voted for the amendment have turned their backs on labor unions that provided them with financial support and volunteers during their election campaigns.

(A "Yes" vote is for the further amendment stripping the unions of some collective bargaining rights. A "No" vote is against the further amendment.)

HOUSE STRIPS SOME COLLECTIVE BARGAINING RIGHTS (H 3500) 4/26/11..STATE HOUSE NEWS SERVICE COVERAGE

MUNICIPAL HEALTH INSURANCE: At 10:35 p.m., Rep. Walsh offered amendment 749.

Rep. Dempsey offered a further amendment striking the text of the Walsh amendment and replacing it with a new text.

Rep. Dempsey said, I hope the further amendment is adopted. Several days ago we began to look budget recommendations, recognizing that this of all the recent years will be our most challenging. After major tax increases, we made a recommendation that we needed to seek reform in a number of areas. We need to embrace structural reforms that will allow for all of us to see savings in the way government is being managed. One of those reforms centers around municipal health insurance. We all recognize, Madame Speaker, that the cost of health insurance continues to increase significantly. It's a concern, Madame Speaker, when we come together in this chamber year after year after year and we embrace increased spending in a number of areas in a number of areas relative to cities and towns and we collectively make a decision that we want to invest in education. This year we invest some \$3.99 billion in Chapter 70. We do that to invest in the future of the commonwealth. What we've recognized is that unfortunately, because of the cost of health insurance, that a very large percentage of the monies we commit are going to fund municipal health insurance. It's a fact. It's not just about education. This is about police officers on the street, a firefighter on a ladder truck. I think we struggle collectively that probably this year, for the fourth consecutive year -- we don't have \$65 million to put back into the local aid account. I want to talk about our distinguished speaker and his leadership on this issue. HE has recognized that we have very few choices. Over the last few weeks we have worked -- I want to applaud the gentleman from Boston for his work with us -- to find some common ground in terms of making this proposed change. We worked hard at that because I think we all, we want to try to achieve some degree of savings and do it in a way that is fair. The further amendment that I offer is moving in that area. Under this proposal, if a mayor or city manager or governing body pursues this, they would convene a public employee bargaining committee. They would sit at the table for 30 days. The issues they discuss would be what should the co-pays be, what should the deductibles be? We propose that 10 percent of the potential savings -- or the avoided costs -- that 10 percent of those savings or avoided costs would be used to deal with those issues around retirees. If there is no agreement that is reached after 30 days, then there would not be an agreement and at that time, the original proposal that had been submitted by the mayor or city

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manager would go into effect. However, because we want to incentivize the mayor or city manager to come to an agreement, 20 percent of avoided costs would go to workers. I applaud

the speaker for looking at this as a way of getting the unions to sit at the table and try and talk about co-pays, deductibles and plan design. We understand that this is a different process than we've seen in the past. I want to thank the members for their input over the last couple of days. This is an issue that is a challenge, but I think the further proposal we offer this evening, the further movement on the part of the speaker -- we want to make sure the needs of public

employees are met, while at the same time achieving the savings to offset a cut in local aid. We believe that this is an opportunity for us. The more we're spending on municipal health insurance, the less we're able to spend on all the areas important to us.

Rep. M. Walsh said, I want to thank my friend from Haverhill. We have had many discussions. He sent me more text messages than some of my friends or my girlfriend for that matter. It's with a heavy heart in some ways for me to talk about this issue. I want to thank all of the cosponsors that signed onto this amendment. I want to be perfectly clear here that I feel that this issue should not be taken up in this document. It's very complex. It's very deep. This amendment is three pages. There are many, many issues in this that are still left unworked on. I have a problem with how this argument has been framed. It's been framed by outside sources. It's been framed by newspapers, and it's been framed with an undercurrent about a problem with public employees. These are people who work very hard for this commonwealth. The actions going on are confirming what's been said outside this chamber. They're not the ones who caused this financial crisis. Banks and employees got a slap on the wrist while public employees began losing their benefits. Last week, Boston put together a proposal. A lot of people said they'd never get to an agreement. Boston was able to sit down and the unions -- the workers of those unions were able to sit down with the municipalities and reach an agreement. There's also dozens of communities around the commonwealth that have worked out deals and negotiated. The key word is negotiate -- a way to come up with savings. The issue in front of us tonight is collective bargaining. It's about how we get to a point where we can save money and give money back to our cities and towns because of what the chairman spoke about. I hear those concerns. I don't think this is the right way to do it. Collective bargaining is part of building the middle class in this country. Over the years, it's helped increase wages. It's helped bring working conditions to focus. It's actually needed more now than it was then in some cases. We're taking away collective bargaining. Last year in this chamber, we took away collective bargaining for turnpike workers. This year, we're taking them away from our municipalities. I grew up in a family where unions were talked about in a good way. I talk about it every single day in my house. It's hard for me to stand up here today. I love this institution. But I have to. I have to talk about this issue. I can't just sit back in the background. It's unfair that I have to be here tonight. I want to read a few things that have been put out there. 'The plan's ridiculous -- it would represent disaster for local taxpayers. The proposal is a result of a failure of municipalities. They're talking about the unions' failure.' 'The amendment that I put forth represents no real reform.' 'The 25 percent savings for cities and towns is ridiculous.' Public employees and the leadership have been willing to accept higher co-pays and deductibles. The savings that the Ways and Means proposal puts up -- they are willing to step up. We put forth a process to have a discussion. Actually that process is documented in front of you. The 30 day period of negotiation in front of you is from my discussions with the people on the union side. So many unions said they had problems with section 19. We lowered it to 50 percent plus one. And also, in some of those discussions, 100 percent of the savings would go back to cities and towns. It also creates HRAs that would take care of the sickest people. What we're looking for is to have a discussion about how this cost-shifting from municipalities onto employees works. We also protected retirees in Section 19. The arbitration process that everyone -

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was worried about, which is the sticking point in this whole negotiation -- in my original amendment there was an arbitration mechanism. Madame Speaker, I think people know in this chamber that

when I get up to this microphone, it's always about people who I'm always defending because they need to be defended. I think tonight, in this chamber, we're going to be taking a vote that's going to be a defining vote for a lot of us and the future of where we're going in this country. would ask you to join me in opposing this further amendment so we can have a debate on my amendment.

Rep. M Walsh asked that a vote on the further amendment be taken by a call of the yeas and nays. There was support.

BY A ROLL CALL VOTE OF 111-42, FURTHER AMENDMENT ADOPTED

SENATE APPROVES MUNI HEALTH CARE CHANGES MAY 27, 2011..STATE HOUSE NEWS SERVICE COVERAGE

MUNICIPAL HEALTH CARE: A plan to curtail some collective bargaining rights for municipal employees appears to have been left intact with little public resistance and is now bound for negotiations between the Senate and House. Senators on Thursday evening passed a so-called technical amendment, making changes to a plan included in the Senate budget that left the core elements of the plan unchanged. The amendment was adopted without debate and with minimal explanation. Afterward, Geoff Beckwith, executive director of the Massachusetts Municipal Association, praised the plan as a positive step. He said the Senate plan makes it slightly more difficult for cities and towns to join the state Group Insurance Commission -- they must demonstrate a savings of 10 percent more than they would otherwise save with the plan design tools that the Senate plan will authorize -- but that he thinks the plan is a workable solution. Unions were muted after the Senate adopted the amendment. Ray McGrath, political director of the state chapter of the National Association of Government Employees, said the Senate plan was preferable to the House's but added that each represented a curtailment of collective bargaining rights. The Senate plan, like the House's, provides for a 30-day bargaining period between cities and towns and local unions on the health care benefits. However, unlike the House plan, if no agreement is reached, the decision is left to a three-member panel with one member appointed by each party and a third appointed by the state secretary of administration and finance, who must pick from a list of "neutral" officials with expertise in dispute resolution. After the budget passed, an AFL-CIO spokesman issued the following statement: "Throughout the debate on how to handle the impact of rising health insurance costs on all our budgets - governments, businesses and working families - unions have eagerly sought to be part of the solution to keep police on the streets, fire fighters at the ready, teachers in our classrooms, and parks, sanitation and others keeping our communities clean and functioning well in these tough times. We have said all along that achieving savings and collective bargaining rights are not mutually exclusive. While certainly not perfect, this Senate proposal is fair and goes a long way to proving that point. Collective bargaining over the quality of health insurance and mitigating increased out-of-pocket costs for the very sick and retirees on fixed incomes will allow municipalities to save \$100 million. That \$100 million in savings and the substantial cost shifting inherent in all agreements is a sacrifice we are willing to make in tough times, whereas collective bargaining rights are not. We hope the Conference Committee, Governor, and the legislature will build on this fair proposal and choose to deliver savings through collective bargaining in the final analysis."

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July 11, 2011 GOV. PATRICK'S PROPOSES AMENDMENTS TO THE MUNI HEALTH CARE LAW...HERE IS PATRICK'S MESSAGE

To the Honorable Senate and House of Representatives:

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution, I am returning to you for amendment Sections 51, 52, 58, 199, 200, 201 and 202 of House Bill No. 3535, "An Act Making Appropriations for the Fiscal Year 2012 for the Maintenance of the Departments, Boards, Commissions, Institutions and Certain Activities of the Commonwealth, for Interest, Sinking Fund and Serial Bond Requirements and for Certain Permanent Improvements."

These sections create a new process by which municipalities can implement local health insurance changes in order to help cities and towns manage health care costs and preserve critical services. I strongly support the goal of providing cities and towns with a way to achieve meaningful health care cost savings while preserving a meaningful role for organized labor in the transition process. The municipal health care reform sections included in the budget take a strong step in the right direction.

These sections, however, need additional refinements to strengthen the reform by further protecting sick and older employees and retirees, while still generating savings so that municipalities can preserve critical local services. In particular, I am recommending revisions in the savings to be shared with subscribers, the savings threshold to be met before transferring subscribers to the Group Insurance Commission, the protection of current retirees from short-term increases in premiums, and the protection of the quality of local health insurance plans. The ability to protect the quality of the local health insurance plans will be assured as the reform is focused on and addresses copays, deductibles and comparable cost sharing changes.

HOUSE AND SENATE ADOPT GOVERNOR'S AMENDMENTS TO MUNICIPAL HEALTH PLAN CHANGES 7/11/11..BEACON HILL ROLL CALL COVERAGE

House 150-2, Senate 37-0, approved Gov. Deval Patrick's amendments to the recently approved law giving local communities more flexibility to make changes to health insurance plans of their public employees outside of the current full collective bargaining process.

The new law includes expedited collective bargaining to negotiate a new health insurance benefit plan for employees. If the municipalities and unions fail to reach agreement within 30 days, the case is submitted to a three-person review panel.

Municipalities will be able to use this process to adopt co-pays and deductibles, along with other cost-sharing health care plan features that are not higher than those offered by the Group Insurance Commission (GIC). Supporters say the new law would save communities some \$100 million.

The governor's amendments would lengthen the moratorium on changes to retiree premium cost-sharing agreements from two years to three years; increase the amount of savings from lower premiums achieved through plan design changes to be returned to employees and retirees; and require that a city or town that wants to move employees into the state's GIC prove the savings would be 5 percent greater than those possible through local plan design changes.

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Supporters of the governor's amendments said they will improve the new law and were drafted with input from various groups including labor and the Mass Taxpayers Foundation. They argued

adoption of the amendments would ensure this will be the most significant reform for cities and towns in over 30 years.

Opponents of the governor's amendments did not offer any arguments.

(A "Yes" vote is for the governor's amendments. A "No" vote is against them.)

HOUSE ADOPTS GOVERNOR'S AMENDMENTS TO MUNICIPAL HEALTH PLAN CHANGES 7/11/11..STATE HOUSE NEWS SERVICE COVERAGE

MUNI-HEALTH - BUDGET AMENDMENT: Rep. Dempsey moved for suspension of Rule 47 to take up calendar item 70, H 3580 amendments from the governor with a special report relative to municipal health insurance. The House accepted the report.

Question came on adoption of the amendments. The chair recognized Rep. Dempsey.

Rep. Dempsey of Haverhill said I hope the amendment is adopted. For the edification of the members the amendment has been filed and offered by his excellency the governor. Over the last several months we have had significant debate around the issue of municipal health reform. I want to thank the Speaker for his leadership, particularly during the last week. As the conference committee report was adopted, it was important that we continued to make certain that whatever was embraced was a significant reform so that the cities and towns could save \$100 million. I want to thank the governor and the secretary of administration and Finance for offering the amendment because they did so after great consultation, with the Mass Taxpayers Foundation, and also labor. The amendment is one that I would wholeheartedly support and urge the members to support as well. The amendment will define and clarify the conference committee product by doing a few specific things. It develops a threshold for communities to enter into the GIC. The conference committee did not put a percentage in place. The governor proposed we put in a percentage of 5 percent. We believe this is a reasonable request. We feel it is important those savings be shown. We also look at our retirees. The proposed amendment would move our retiree moratorium from two years to three years. Additionally the issue of savings is important. In the conference report we proposed the savings of 25 percent be the base. We are expanding the base of that. We believe it is a fair and equitable thing to do. I am pleased to report to the members because of the Speaker's leadership, if the members embrace the governor's suggested amendment this will be the most significant reform we have seen for cities and towns

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in over 30 years. He asked for a roll call vote. There was support.

BY A ROLL CALL VOTE OF 148-2, GOVERNOR'S AMENDMENTS ADOPTED.

SENATE ADOPTS GOVERNOR'S AMENDMENTS TO MUNICIPAL HEALTH PLAN CHANGES 7/11/11..STATE HOUSE NEWS SERVICE COVERAGE

MUNICIPAL HEALTH REFORM: Question came on engrossment of H3580 making amendments as proposed by the governor to the municipal health sections of the fiscal 2012 budget.

Sen. Tarr said, I'm pleased we are finally at the point of bringing resolution to what has been one of the most vexing issues of the past few years. Even in the past few days it seems there has been a lot happening in the deep recesses of the State House behind curtains and closed doors.

Madame President I know you are concerned about that as well and finally the door to the portal of the executive chamber has been opened and we saw a vision, a vision of a municipal health care package of amendments. We need to act expeditiously because what is at stakes is savings of \$100 million for our cities and towns. I will ask the chairman of Ways and Means to weigh in on those estimates. He deserves an enormous amount of credit for the work he has done on a sensitive issue. I think it's important we try to move forward, but I ask the gentlemen to explain what is before us because I'm confused by what the governor offered and what he has said was important to him. He said collective bargaining was not an impediment to reform, but in the amendments returned I see no change to collective bargaining from the bill that we sent. The governor also said no bill would be effective unless it was mandatory, but I looked through the amendments and that was included either.

Sen. Brewer said, I'd asked the minority leader to repeat his question. Surely, I jest. There is no changing of collective bargaining. What we saw 11 days ago is what we see today. If there are savings in excess of 5 percent those have to be proven if they're going to go to the Group Insurance Commission. Most people like their health plans and in order to change that we're asking that the savings be 5 percent greater. Overall for savings, everyone that writes letters to us has always ascertained that it's savings of up to \$100 million. That's what they say. We will find out. What we do know is that dedicated municipal employees deserve a fair shake and retirees ought to have a level playing field and not be penalized. I do want to reference what the Minority Leader said about the hidden recesses. There are a lot of hidden recesses in this building, but I would submit that room 212 and the governor's office are not those places. I don't support that things were done under the cover of darkness or with a hidden agenda. Everything has been done transparently. I would hope this adopted. One, two, three and four, they start with clarify, clarify and extend. One, total savings. It comes down to words. They added cost sharing to define plan design changes, the 5 percent as I said before, and making sure retirees have a full three years of premium protections until we get our arms around this issue of cost control. We make sure those retirees who have so little are not done any harm. Those four, many of which were Senate initiatives, are a good compromise. I would urge this Senate when a vote is taken it be taken by a call of the yeas and nays.

Sen. Tarr said, I appreciate the explanation. Even more, I appreciate the work the gentleman has put in to put us within reach of one of the more elusive reforms. Is there anything in these amendments that would make is mandatory for a city to engage in plan design or join the GIC or that changes what was sent to the governor around the closure mechanism, and tell us what forum was used for public meetings that led to this compromise.

Sen. Brewer said, This matter is still local option. A community can chose to do this or not to do this by a vote of the local governing board. After 30days, something has to be done. The reason we are here is because we kept the firewall up between the Legislature and the executive branch

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because that's how it should be. Then the executive has 10 days and we talked to each to try to reach consensus on a major public policy that benefits the public as a whole. That's how you do good government. But all of the pieces were in the public domain from the get-go.

BY A ROLL CALL OF 37-0, THE AMENDMENTS WERE ADOPTED.

PATRICK URGES LOCAL OFFICIALS TO "STEP UP," SEEK INSURE SAVINGS UNDER NEW LAW 7/12/11..STATE HOUSE NEWS SERVICE COVERAGE

PATRICK SAYS "STEP UP" With local leaders now holding the keys to drive down health insurance premiums by shifting some costs onto employees, Gov. Deval Patrick and local officials on Tuesday said they hoped the financial incentives for cities and towns to act would be enough to overcome the political pressure to leave local government health systems unchanged.

"I think this is such a pressing issue that no one will be able to dodge it. No one will be able to put their head in the sand. This is something that will test the fire of every elected official in the state," New Bedford Mayor Scott Lang told the News Service.

Gov. Deval Patrick on Tuesday signed off on reforms limiting collective bargaining rights over municipal health insurance, bringing closure to changes sought for years by city and town leaders that officials estimate will collectively save municipalities \$100 million in health care costs. The savings have been pitched for months as a way to blunt the impact of a \$65 million local aid cut, which cities and towns were told this week would not occur.

House Speaker Robert DeLeo told the gathered audience at a bill-signing ceremony that if he had been told two months ago that he would be speaking in room where labor and municipal groups had come together to announce health reform, "I would have said you're out of your mind."

The frequent mentions of the "political courage" displayed by elected officials, labor and management groups underscored the tense political climate in which lawmakers were operating, particularly Democrats under pressure to help relieve financial pressures on cities and towns without appearing to scapegoat organized labor.

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Patrick acknowledged this week taking phone calls from national labor groups as he contemplated signing the bill, and had conversations with White House staff who he said were "checking in" because they were hearing from the same labor leaders.

House Republicans wrote on their blog the Capitol View Tuesday afternoon that some credit for the new Bay State law should go to Republican Wisconsin Gov. Scott Walker, who ignited a national uproar when he proposed curtailing collective bargaining rights for state employees.

"While Governor Patrick takes his victory lap, we think it only fair that he thank Wisconsin Governor Scott Walker for blazing the trail that has allowed so much to be achieved at home," the blog said.

Patrick contrasted the politics in other states with the cooperation of stakeholders in Massachusetts: "It's fashionable in politics today, I've noticed, to bully people. You say more about how you're going to stick it to somebody. And that's what seems to attract all the attention."

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Under the new law, municipalities may opt for an expedited collective bargaining process to negotiate new benefit plans for employees. If municipalities and unions fail to reach agreement in 30 days under that process, the case would be submitted to a three-person review panel for resolution.

All eligible retirees would also be forced to join Medicare, a change the administration estimates will save \$15 million to \$30 million a year.

The governor said he expected some "sharp conversations" at the local level over plan design changes, but said he hoped that would not discourage leaders from pursuing cost saving adjustments. Patrick had sought a mandatory process, but conceded the local option after the House and Senate insisted.

"This is a local option, which was not my first choice as you remember, which means if we're going to achieve those savings then cities and towns have to step up so those municipal leaders have to initiate this to get it going," Patrick said.

"But I think that knowing how tight the fiscal situation is, how pressed everybody's budgets are that cities and towns will take this initiative. We've given them the tools now it's up to them to use them," the governor continued.

Lang agreed, telling the News Service, "I think the taxpayer pressure, the voter pressure will dissuade any elected official from thinking they can dodge this issue."

AFL-CIO President Robert Haynes told the News Service Monday that it would be "politically foolhardy for someone to think they're going to run over their workers," insisting that unions did not get enough credit during the debate for agreeing with the need to deliver \$100 million in savings through negotiated co-payment and deductible increases.

"The Legislature created a framework upon which the cities and towns get to do health care. We're still very much in the game. We still very much have a powerful voice and we intend to use it. And we intend to be fair like we have been from the get-go," Haynes said, highlighting the compromises in the legislation that added protections for retirees and sicker, high volume users of health care.

Haynes said he believed unions and management would largely be able to resolve their differences to achieve savings and protect jobs and protect vulnerable retirees within the 30-day bargaining window without going to the review panel. At the bill-signing ceremony, Patrick thanked those "who have shown the political courage who have come to the table and stay at the table to move this bill." Flanked by Senate President Therese Murray, DeLeo, Boston Mayor Thomas Menino, lawmakers and labor and municipal officials, Patrick said stakeholders kept an open mind throughout negotiations "even at times when they knew the public was saying take it all, take it now. Municipalities will be able to use the new bargaining process to adopt copayments and deductibles and other cost-sharing health plan features that are not higher than those offered by the state-run Group Insurance Commission. Municipalities may also transfer employees into the state-run plan if it would result in at least a 5 percent savings compared to the local health care plan. The reform allows a portion of savings to be returned to employees and includes protections for retirees and employees with existing health concerns who are likely to incur higher copayments." "We can shift plan design in such a way that does not in any manner affect the quality of care and in any manner put any kind of undue hardship on employees and in fact probably save them money on a monthly basis in what they pay in their premiums," Lang said.

Page 12 - LINKS TO ARTICLES AND PRESS RELEASES.

Local Insurance Changes Loom
Retired State, County And Municipal Employees Association Of Massachusetts
February 22, 2011

<http://www.massretirees.com/article/issues/state-gic/local-insurance-changes-loom>

Debunking municipal health plan myths
March 2011

<http://www.mma.org/advocacy-mainmenu-100/exec-directors-reports/5350-debunking-municipal-health-plan-myths>

MMA endorsing the House's municipal health insurance reform proposal
April 13, 2011

<http://www.mma.org/advocacy-mainmenu-100/press-room/5452-statement-of-the-mma-endorsing-the-houses-municipal-health-insurance-reform-proposal>

Municipal insurance reform in spotlight
Retired State, County And Municipal Employees Association Of Massachusetts
June 30, 2011

<http://www.massretirees.com/article/issues/local-insurance/municipal-health-insurance-reform-spotlight>

Legislature enacts municipal health insurance reform
July 1, 2011

<http://www.mma.org/labor-and-personnel/5676-legislature-enacts-municipal-health-insurance-reform>

GOVERNOR PATRICK SIGNS MUNICIPAL HEALTH CARE REFORM TO SAVE MILLIONS FOR MASSACHUSETTS COMMUNITIES

July 12, 2011

<http://www.mass.gov/governor/pressoffice/pressreleases/2011/municipal-health-care-reform-signed.html>

Local Insurance Reform Now Law
Retired State, County And Municipal Employees Association Of Massachusetts
September 22, 2011

<http://www.massretirees.com/article/issues/local-insurance/local-insurance-reform-now-law>

Municipal health insurance law already yields savings

By David Riley

Wicked Local Plymouth

Feb 27, 2012

<http://www.wickedlocal.com/plymouth/news/x1771579577/Municipal-health-insurance-law-already-yields-savings>

MMA applauds 1st anniversary of Municipal Health Insurance Reform

July 11, 2012

<http://www.mma.org/advocacy-mainmenu-100/press-room/6731-mma-applauds-1st-anniversary-of-municipal-health-insurance-reform>

Patrick announces \$205 million in savings from Muni Health Law

July 25, 2013

<http://www.mass.gov/anf/press-releases/fy2013/205-million-saved-from-municipal-health-care-reform.html>

Page 13 - LINKS TO A COPY OF THE LAW , SUMMARIES AND FAQs

Copy of the muni health law signed by the governor

<https://malegislature.gov/Laws/SessionLaws/Acts/2011/Chapter69>

A summary of the law by Morgan, Brown & Joy, LLP

July 2011

http://webcache.googleusercontent.com/search?q=cache:XAl8J_jjyJcJ:www.morganbrown.com/docs/Public%2520Sector%2520Client%2520Alert%2520-%2520municipal%2520health%2520care%2520law%2520-%2520JMP-%2520final%2520%25207-20-11.pdf+%&cd=1&hl=en&ct=clnk&gl=us&client=firefox-a

FAQs answered by Gov. Patrick's Office for Administration and Finance

<http://www.mass.gov/anf/budget-taxes-and-procurement/working-for-you/permanent-municipal-health-reform-regulations.html>